

2008 Proposed TOD Guideline Changes

October 9, 2008

Guideline Section 105(a)

Proposed Change:

- (a) The maximum Program loan or grant or combination of the two for a single Housing Development or applicant, including any affiliates of an applicant, shall be limited to \$17 million per funding round.

Reason:

In the Program's first funding round, two applicants were either direct recipients or benefited indirectly from the receipt of over 57% of TOD funds. One applicant alone directly received or benefited from the receipt of over 38% of these funds. This situation creates a concentration of risk for the program, and raises questions about equitable distribution. For these reasons, we propose to limit the maximum award any one applicant may receive directly or, indirectly benefit from in any one funding round to \$17 million. This proposed limit is 17% of the amount expected to be available this year.

Guideline Section 105(c)

Proposed Change:

- (c) Construction of the Housing Development must commence within five years of the Program award and be completed within eight years of the Program award date.

Reason:

This change is intended to clarify the Department's expectation that funding commitments result in housing being built within a reasonable period of time.

Guideline Section 107(a)(9)

Proposed Change:

- (9) The application must receive the minimum point scores for those application selection criteria requiring minimum scores and, the overall application total score shall not be less than 250 points.

Reason:

In the first funding round, 31 out of 59 applications received fewer than 250 scoring points, which is approximately 70% of the 350 total points that were available. In general, these low-scoring applications fell short of realizing the basic policy goals of the program. Both applicants and program staff spent a great deal of time on them, to no avail. To ensure that successful applications accomplish basic program goals, and to avoid inefficient use of applicant and staff resources, we are proposing to establish a 250 point minimum threshold eligibility requirement.

Guideline Sections 108(a), 108(a)(2), 108(e), 108(f)

Proposed Change:

(a) The extent to which the Project will increase public transit ridership and minimize automobile trips – 90 points maximum

Eliminate the comparative transit time to automobile use scoring section, and re-allocates points to the walkable corridor features and parking point categories.

~~(2) A maximum of (20) points shall be assigned to applications in which the best performing mode of transit serving the Qualified Transit Station, demonstrates a peak period commute service travel time ratio as compared to automobile travel along the comparable highway corridor as set forth below:~~

Points	Comparative transit travel time to automobile use
20	≤1.5
15	1.6-2.0
0	≥2.0

~~Comparative travel time ratios will be computed by Caltrans which will provide driving times along the comparable highway corridor during periods of recurrent congestion, based on current PeMS data.~~

Reason:

Research has shown that people are more inclined to use transit if the trip via transit does not take substantially longer than the same trip would take via car. For this reason, the first round guidelines assigned points based on the ratio of transit travel time to drive time along a comparable highway corridor.

While we believe this measure is a good indicator of the extent to which TOD projects will promote transit use, we encountered two major practical problems in applying it. First, the data that is available on drive time is limited to freeways. In a number of areas, freeways are not the main alternative to transit. For these areas, comparing freeway travel time with transit travel is a decidedly imperfect comparison. Second, it is sometimes difficult to determine the length of the transit route that should be compared with the highway route, or to obtain data on the most comparable section of the highway. For these reasons, we propose to drop this measure.

Additionally, the Department proposes to reallocate the twenty points from these sections that were available for the criterion proposed for deletion to two others, as follows:

Guideline Section 108(b)(2)

Proposed Change:

- (2) Applications for Housing Developments located in an area designated for transit oriented development in the applicable local general plan, specific plan, zoning ordinance, community plan, redevelopment plan, transit village plan, or in areas regulated by, or included in land use policies, regional blueprint plans, other regional plans, development regulations or programs which promote transit-supportive residential and nonresidential uses within the Project area, shall receive 10 points.

Reason:

This scoring criterion currently awards 10 points to applications for projects that are in areas designated for transit oriented development. This is very similar to the criterion specified in 108(d)(3), in which 5 points are awarded to projects in areas regulated by or included in transit-supportive land use policies, regional blueprint plans, etc.

In the first funding round, these two criteria proved to be highly correlated with each other. In every case where points were awarded under 108(b)(2), they were also awarded under 108(d)(3).

To simplify the application process, we propose to combine the two similar scoring criteria into a single revised 108(b)(2) while maintaining the 10 possible points for this section. To increase the emphasis on transit-supportive land uses within a half-mile of the Transit Station, the 5 points previously attributed to 108(d)(3) would be added to the Transit-Supportive Amenities and Services criteria under 108(d)(2), increasing from 10 to 15 possible total points.

Guideline Section 108(e)

Proposed Change:

(e) The extent to which the Project incorporates walkable corridor features - 25 points maximum

Points will be awarded based on the extent to which the application demonstrates the following features exist, or will exist upon completion of the Project, in the primary walkable corridor between the Housing Development and the Qualifying Transit Station. The primary walkable corridor is the route most likely to be taken by pedestrians traveling directly between the Housing Development and the Transit Station. Five points will be awarded for each feature.

- (1) No more than 25% of the street blocks in the corridor exceed 500 feet in length.
- (2) The corridor is fully served by continuously-paved, ADA-compliant sidewalks with a minimum width of 4 feet.
- (3) The corridor allows for safe pedestrian crossing of any arterials between the Housing Development and the Transit Station and the corridor is adequately lighted to accommodate pedestrian use after dark.
- (4) The Transit Station contains transit waiting facilities that are lighted and provide overhead shelter from outdoor elements.
- (5) The Qualifying Transit Station has bicycle access, provides secure bicycle storage facilities, and the transit service allows bicycle conveyance on-board.

Reasons:

We propose to combine 108 (e)(3) with 108(e)(5) as the two criteria are very closely related and should be scored as one. As the first funding round revealed in other scoring categories, where applications scored under 108(e)(3), they also scored under 108(e)(5).

It is generally recognized that pedestrian access and bicycle access to and around transit stations are important features of a successful TOD. And while this scoring section gives significant weight to walkability features, a number of commenters have suggested that the program should provide an incentive for transit stations that promote bicycle access, provide safe storage for bicycles and that the transit service allows bicycle conveyance on-board.

To do this, we are proposing to modify section 108 to add a new five-point subcategory 108(3)(5) for projects associated with transit stations that provide bicycle access, secure bicycle storage, and the transit service allows for bicycle conveyance on-board.

Section 108(f), Parking – 30 points maximum

There are three affected subcategories: Transit passes, increased from four to five points; Shared parking, increased from two to five points; Car sharing, increased from two to five points, and Maximum parking spaces, increased from seven to ten points, making this a thirty point section.

Points will be awarded based on the extent to which the pricing, supply, and management of motor vehicle parking serving the Housing Development promotes economic efficiency and minimizes the development of new parking spaces as follows:

- (1) Parking pricing (5 points). Five points will be assigned to applications where the Housing Development parking is priced to cover the full capital and operating costs of the parking, and paid for separately, rather than bundled with the cost of the housing, except for units subsidized under one or more affordable housing funding programs, including low-income housing tax credit programs.
- (2) Transit passes (5 points). Four points will be assigned to applications where Housing Developments provide to residents free transit passes or discounted passes priced at no more than half of retail cost. At least one transit pass shall be made available to each Restricted Unit for the term of the Program loan.
- (3) Shared parking (5 points). Two points will be assigned to applications where the Housing Development provides parking that will be shared between different uses, such as parking that serves housing residents at night and retail customers by day.
- (4) Car sharing (5 points). Two points will be assigned to applications where the Housing Development provides dedicated parking spaces for shared vehicle only parking.
- (5) Maximum parking spaces (10 points). Seven points will be assigned to applications for Projects which provide for no

more that the following maximum parking spaces excluding park-and-ride and transit station replacement parking.

Guideline Section 108(I)

Proposed Change:

(I) Adopted Economic Development Plan-10 Points Maximum

- (1) 10 points shall be awarded to applications for projects located in jurisdictions that have adopted a general plan economic development element.
- (2) 5 points shall be awarded to applications for projects located in jurisdictions that have adopted a comprehensive economic development strategy.

Reasons:

The Department proposes to establish a scoring category that awards points to applications for projects located in jurisdictions that have adopted either a general plan economic development element or a comprehensive development strategy.

This proposal will recognize the impact such plans have on maintaining and enhancing the economic character of the community by reinforcing consistent policies that guide recruitment, retention, and expansion of new and existing local commercial and retail enterprise as well as encourage the development of housing of types and prices that are consistent with the needs of the workers within the community's various employment sectors, while supporting future demand for public transit.